



THE ALARM COMPANY, INC.
P.O. Box 748, Los Gatos, California 95031-0748
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ACO Lic No. 6730
C10 932413

MONITORING AGREEMENT

- NEW SYSTEM EXISTING SYSTEM RESIDENTIAL COMMERCIAL
- HARD WIRE WIRELESS BACKUP TRANSMISSION
- INTRUSION FIRE CARBON MONOXIDE WATER FLOW VALVE
- ALARM RESPONSE OTHER _____

This Monitoring Agreement is entered into on _____, 20_____, by and between _____ (you) and The Alarm Company, Inc., a California corporation (us).

CLIENT INFORMATION

Contact Person: _____

Premises Address: _____

Billing Address: _____

Phone: _____ Cell Phone: _____ Email: _____

1. Term. The original term of this Agreement shall be for 2 years. After the original term, this Agreement shall automatically renew for successive 1-year periods unless either party notifies the other in writing of its intent to terminate this Agreement no less than 30 days prior to the expiration of the original or renewal period. _____ Your Initials

2. Central Station Monitoring Services. You have chosen the monitoring service, and agree that the service meets your needs. **Additional, different, or higher levels of protection and service were discussed with you and are available from us at an additional cost.** Upon connection or activation of your alarm system (System), we shall thoroughly instruct you in the proper use of the System. The signals from the System at the Premises shall be monitored at our central monitoring station or an independent central monitoring station that we shall select. We shall install, cause to be installed, or program, whether in person or remotely, a communicator at your Premises to transmit alarm signals from your System to our central monitoring station. When this Agreement expires or is terminated, you shall immediately allow us to remove or deactivate, whether remotely or otherwise, the communicator. You agree that we may program the System remotely, and you will allow us access to do so. If your law-enforcement or fire department requires or later requires enhanced verification of an emergency before responding to a System signal, you shall comply with the requirement and shall subscribe for that service if provided by us. We may charge an additional fee for that service. Our yard signs and window stickers shall remain our property at all times and may be removed by us.

You have thoroughly discussed with us the availability of back-up transmission of alarm signals from the System to the central station, and that these services are available at an additional cost. You do not want back-up transmission of alarm signals and understand that if your telephone service is interrupted or disconnected, no signal will be sent to the central station. _____ Your Initials

- 3. Services and Payment.**
- Monthly Monitoring Services: \$ _____
 - Back-Up Transmission of Signals: \$ _____
 - Other Service: \$ _____
 - TOTAL AMOUNT FOR ORIGINAL TERM:** \$ _____

Payment Options: Monthly (Credit Card or Account Debit only) – \$ _____

Quarterly – \$ _____ Semi-Annually – \$ _____ Annually – \$ _____ (paid in same month as above)

In addition, you will pay the prorated fees for the month in which monitoring services begin. Payments are payable in advance, on the first day of the month, commencing on the date set forth above. Your payments shown above do not include any applicable tax. If any taxes are due, you shall pay the tax in addition to your monthly payments. You agree to let us investigate your credit record, and to report your payment performance under this Agreement to credit agencies and credit reporting services. **No finance charge or cost of credit is associated with this Agreement.**

4. Liquidated Damages; Limitation of Liability. We and our divisions or affiliates are not insurers. You shall obtain all property, life, health, or disability insurance. The payments required are based solely upon the value of the System or service, and not on the value of your property or the property of others located in or on your Premises. We make no guarantee or warranty that the service will avert or prevent occurrences or the consequences therefrom, which the System or services is designed to detect or avert. It is impractical and extremely difficult to determine in advance (1) the value of your property or the property of others kept on the Premises, which may be lost, stolen, or damaged if the System or service does not operate properly; (2) the response time of the central station, law-enforcement agency, fire department, paramedic unit, or guard service; or (3) what portion, if any, of a loss, personal injury, or death would be proximately caused by our failure to perform or negligence.

If we are found liable for injury, loss, or damage of any kind whatsoever from our failure to perform any of our obligations under this Agreement, failure of the System, equipment, or service in any manner, breach of warranty, or our active or passive negligence, then our liability shall be limited to a sum equal to one-half of the annual monitoring fees or \$500, whichever is less, as liquidated damages and not as a penalty. This shall be your only remedy regardless of the legal theory used to find the central station or us liable.

You may obtain a higher limitation of liability by paying an additional charge. If you elect this option, a rider will be attached to this Agreement stating the terms, conditions, and amount of the limited liability and the additional charge. The rider and additional obligation shall in no manner whatsoever be interpreted to hold us as an insurer.

5. Response to Alarms. Unless otherwise required by law, upon receipt of an intrusion, fire, duress, or panic alarm signal from your System to the central station, we shall, without warranty, make every reasonable effort to notify a law-enforcement agency or public fire department, and if requested in writing by you, notify you or your designated representative by calling the specified telephone number(s) you have supplied to us in writing. **You acknowledge that many law-enforcement agencies will not respond to an unverified burglar-alarm signal and that our central station will be required to verify the nature of the situation prior to dispatching law-enforcement.** We may elect to verify the nature of the emergency by telephone or some other manner prior to dispatching emergency personnel. Certain law-enforcement agencies will not respond to any alarm signal unless you have a valid alarm user permit, which must be kept current and renewed as required. See Paragraph 13 for more information regarding alarm permits. You consent to the recording of all telephone calls with the central station. **You understand that law enforcement, the fire department, or other responding authority may forcibly enter the Premises when they have been notified that we have received a carbon monoxide signal.**

6. FAMILIARIZATION PERIOD. UNLESS YOU HAVE REJECTED THE FAMILIARIZATION PERIOD (EXCEPT WHERE REQUIRED BY LAW) BY INITIALING THIS PARAGRAPH, YOU AGREE THAT DURING A SEVEN (7) DAY PERIOD (OR ANY PERIOD REQUIRED BY LAW) FOLLOWING COMPLETION OF INSTALLATION AND CONNECTION TO THE CENTRAL STATION (AND DURING ANY APPLICABLE EXTENSIONS), WE HAVE NO OBLIGATION TO, AND WILL NOT, RESPOND TO ANY ALARM SIGNAL FROM YOUR PREMISES THAT IS RECEIVED BY OUR CENTRAL STATION. YOU ALSO AGREE THAT DURING THIS PERIOD, WE HAVE NO OBLIGATION TO, AND WILL NOT, NOTIFY ANY PUBLIC AUTHORITIES, YOU, OR YOUR DESIGNATED REPRESENTATIVE, OR TAKE ANY OTHER ACTION WITH REGARD TO ANY ALARM SIGNAL WE RECEIVE, EVEN IF AN ACTUAL EMERGENCY EXISTS. _____ Your Initials

7. Disclaimer of Warranties; Consequential Damages. We do not represent or warrant that the System or service may not be compromised or by-passed; will deter or prevent all burglaries, hold-ups, fires, smoke or water damage, or otherwise; or that it will in all cases provide the protection for which it was installed or intended. We have made no representations or warranties, express or implied, as to any matter whatsoever, and you have not relied on any representation or warranty, express or implied. **YOU AGREE THAT IF WE, THE CENTRAL STATION, OR GUARD COMPANY WERE TO HAVE ANY LIABILITY GREATER THAN THAT AGREED TO BY YOU IN PARAGRAPHS 4, 16, AND 19 OF THIS AGREEMENT, WE COULD NOT AND WOULD NOT PROVIDE THE SYSTEM OR SERVICES.** Any affirmation of fact or promise shall not be deemed to create an express warranty. We shall not be liable for consequential or incidental damages. There are no warranties that extend beyond the face of this Agreement. Some states do not allow the exclusion or the limitation of consequential or incidental damages, so the above limitations or exclusions may not apply to you.

ACCEPTANCE

The prices, specifications, and conditions in this Agreement are satisfactory. You understand, approve, and accept this Agreement, in particular Paragraphs 4, 16, and 19, which set forth our maximum liability if there is any loss or damage to you or any third party. You understand that you may obtain a higher liability limit by paying an additional charge. You have received a completed copy of this Agreement and a Notice of Right to Cancel. **You have been advised that there are additional, different, or higher levels of protection and service available. The services provided are based upon your specific request, approval, and cost considerations, for which you shall hold us harmless.** For our residential customers only, you, the buyer, may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction. See the attached Notice of Right to Cancel form for an explanation of this right.

YOU

THE ALARM COMPANY, INC.

Dated: _____
Print Your Name

Dated: _____
Authorized Company Officer

Your Signature: _____

Alarm Agent No.: _____

THIS AGREEMENT SHALL NOT BE BINDING UPON US UNLESS EITHER (1) IT IS APPROVED IN WRITING BY AN AUTHORIZED COMPANY OFFICER, OR (2) WE START MONITORING. IF WE DO NOT APPROVE THE AGREEMENT, OUR SOLE LIABILITY SHALL BE TO REFUND TO YOU THE AMOUNT THAT HAS BEEN PAID TO US UPON THE SIGNING OF THE AGREEMENT.

PLEASE READ IMPORTANT TERMS AND CONDITIONS ON BACK.

8. Telephone Lines.

A. You shall pay all charges made by the telephone company or other utilities for installation or activation of service connections, telephone jacks, leasing, and service charges of telephone lines connecting your Premises to our central station. All charges for the installation and continuity of telephone service connections for the System will be your sole responsibility. **If your telephone service is out of order, disconnected, placed on vacation, or otherwise interrupted, signals from your System will not be received by our central station during any interruption in telephone service. Interruptions will not be known to our central station or us and the authorities will not be notified. Activation of the System will interrupt and disconnect any telephone call in progress. You will be unable to use that line for 911 or any other emergency service. For these reasons, we recommend a dedicated telephone line for your System.**

B. You shall pay us for any costs incurred to reprogram the digital communicator to conform to telephone company-initiated changes in dialing procedures. Costs will be based on our then current standard service call charge.

C. Any enhancements to your telephone or transmission service, such as Internet, DSL, broadband, BPL (Broadband over Power Lines), or Voice over Internet Protocol (VoIP), may interfere with the signals sent by the System to the central station. DSL or VoIP will not work without electrical power, and may interfere with your ability to call 911 or interfere with the telephone line-seizure feature of the System. You shall immediately notify us of any change whatsoever to your telephone service and shall request an inspection and test of the System to make sure that the System is operational and properly transmitting signals.

9. Backup Transmission. You may elect to provide backup signal transmission by radio, cellular, satellite, or an Internet system instead of, or in addition to, telephone lines or cable. **Radio or cellular transmissions are subject to environmental factors, both natural and manmade, that are totally beyond our control. Satellite and Internet access are totally beyond our control.** You shall pay all monthly service charges connecting your Premises to our central station.

10. False Alarms. If you cause an excessive number of false alarms through carelessness, or malicious or accidental use of the System, or if you shall in any manner misuse or abuse the System, your conduct shall constitute a material breach of contract. We may at our option, in addition to all other legal remedies, terminate this Agreement after giving you 10-days written notice. You shall immediately reimburse us for payment of any false alarm fine, penalty, or fee. You are solely responsible for all false alarm fines, whether assessed against you or us. You shall reimburse us for any charges from a private guard service in response to a false alarm from your Premises.

11. Service. If you want or require any other type of service or repair, separate arrangements will need to be made and you will need to call us. We are not obligated to service or repair the System. Any service or repair by us after the initial activation of the System shall be governed by this Agreement, in particular Paragraphs 4, 16, and 19, which limit our liability. Service or repair shall be provided at our then existing labor rates and service call fees, plus parts and materials. Our normal service hours are between 8:30 a.m. and 4:30 p.m., Monday through Friday, excluding national holidays. Emergency service is available at all other times at our premium labor rate. You agree that we may service or repair the System remotely, and will allow us access to do so. We shall not be responsible for loss or damage while the System is under repair or is awaiting parts.

12. Interruption, Suspension, or Cancellation of Service. We shall not be liable for interruption or delay of service due to strikes, riots, floods, storms, earthquakes, fire, power failures, war, declared or undeclared, terrorism, insurrection, interruption or unavailability of telephone, cellular, cable, radio, Internet, or other transmission services, acts of God, or for any other cause beyond our control. We will not be required to supply monitoring or repair services to you while any of these causes exist. If services are suspended for these reasons, you must continue to pay under the terms of this Agreement. This Agreement shall be suspended without notice if the central station or your Premises or equipment are destroyed by fire or other catastrophe, are so substantially damaged that it is impractical to continue service, or if we or the central station are unable to render service.

13. Your Duties; Wireless Devices; Monitoring / System Permits.

A. You shall carefully and properly test and set the System immediately prior to the securing of the Premises and properly test the System daily during the term of this Agreement. If the System does not operate properly or if there is a power failure or other interruption at your Premises, you shall notify us immediately. **If your System uses wireless battery-operated devices, you must replace the batteries when the System emits a low-battery signal or at least once a year. If you fail to replace the batteries, the System will not function properly. You may also notify us if the System emits a low-battery signal, and we will replace the batteries at your expense at our then current labor and material rate.**

B. Monitoring may be subject to permit fees. Obtaining and maintaining a permit, if required, shall be your sole responsibility. You will be solely responsible for paying for all monitoring, alarm, or system permits, licenses, or fees imposed by authorities having jurisdiction necessary for the use and operation of the System, and all other charges or fees imposed. You will be solely responsible for determining whether the city, county, or governmental subdivision in which the Premises are located has or may later have statutes or ordinances requiring that you obtain and maintain a license or permit for the System.

C. Certain law-enforcement agencies will not respond to an alarm signal unless you have a valid alarm-user permit or license, which must be kept current and active as required. We must know your permit number in order to request an emergency response. **We may not be able to dispatch a law-enforcement agency or fire department to the Premises in response to any alarm until you have obtained, at your expense, all necessary permits or licenses, and have provided us with the license or permit number.**

D. If the System was installed by another alarm company, you shall indemnify, defend, and hold us harmless from any claim made by another alarm company regarding its contract with you.

14. Authorized Call List. You shall immediately furnish to us in writing a written list of names, relationship, titles, residence addresses, and telephone, cell, and pager numbers of all persons to be notified if there is an alarm and the order in which these persons are to be called. All changes to your call list shall be supplied to us only in writing and shall only become effective upon our acknowledgment of receipt of the changes.

15. Change in Ownership of Premises. The vacation of your Premises shall not relieve you of your duties and obligations under this Agreement.

16. Assignment; Rights of Subcontractors. We shall have the right to assign this Agreement, or extensions or renewals of the Agreement, to any person or entity without notice to you. You shall not assign or transfer this Agreement without our prior written consent. We may subcontract any of the work to be performed under this Agreement, including monitoring, without notice to you. This Agreement, especially Paragraphs 4 and 19, shall protect the subcontractors in the same way that the paragraphs protect us.

17. Default by You; Late Charge. Any of the following shall constitute your default under this Agreement: 1) failure to pay any amount provided in this Agreement within 5 days after the same is due; 2) failure to communicate or cooperate with us; 3) failure to perform any other obligations under this Agreement within 10 days after written request; or 4) you become a debtor in a bankruptcy proceeding. If you default, we shall have the right to discontinue all services upon 3-days written notice to you, to accelerate and recover all amounts to become due under this Agreement, and all other sums to which we are entitled. If any payment due is more than 30 days late, you shall pay simple interest on each payment due in the amount of 10% per year [periodic rate of .833% per month] until the balance is paid in full. If we for any reason discontinue service and you make payment and desire to reactivate the service, reactivation will be subject to a \$50.00 fee. You shall pay a service charge of \$25.00 for each returned check.

18. Change in Rates.

A. We shall have the right to increase the monitoring fee provided for at any time after the expiration of 1 year from the date of this Agreement, but not more than once in any 12-month period, upon giving you written notice 30 days in advance of the effective date of the increase. If you do not want to pay the increased charge, you may cancel the then unexpired term of this Agreement by notifying us in writing 15 days prior to the effective date of the increase.

B. We shall have the right, at any time, to increase the monitoring fees to reflect increases in federal, state, and local taxes, utility charges including telephone company charges, and municipal fees and charges, which are imposed on us and which relate to the services provided under this Agreement. You shall pay all increased monitoring fees.

19. Third Party Indemnification; Subrogation. You shall indemnify, defend, and hold us harmless against all claims brought by others, whether for personal injury, property damage, or death. This provision shall apply to all claims regardless of cause, including our or the System's performance or failure to perform, defects in products, design, installation, activation, or service, negligence, warranty, contribution, indemnification, or strict or products liability. So far as permitted by your liability or property insurance policy, you shall release us from all claims, whether the claims are made by or through you, including your insurance company or other parties, and shall defend and hold us harmless from all claims. You shall notify your insurance company of these terms.

20. Notices. All notices regarding this Agreement shall be in writing and may be served by personal delivery, or certified mail, return-receipt requested, with postage prepaid, to the addresses set forth in this Agreement or to any other address provided by one party to the other from time-to-time in writing.

21. Limitation of Actions; Governing Law. Any lawsuit, proceeding, or action that arises out of this Agreement, whether based upon contract, negligence, or otherwise, shall be brought no later than 1 year after the accrual of the claim. This Agreement was made and entered into in Santa Clara County, California between California domiciliaries. The validity, meaning, and effect of this Agreement shall be determined in accordance with California law, regardless of choice of law principles.

22. Entire Agreement. This Agreement is the final expression of and sets forth the entire agreement between the parties. No other agreements, representations, or warranties, express or implied, oral or written, have been made by any party to the other with respect to this Agreement. All prior and contemporaneous conversations, negotiations, and warranties are not relied upon and are waived. This Agreement is intended to supersede and replace all prior oral or written agreements or understandings between the parties. This is an integrated agreement. This Agreement cannot be modified, altered, or amended except in writing signed by authorized representatives of both parties. If there is a conflict between this Agreement and your purchase order, if any, or any other document, this Agreement will govern, whether the purchase order or other document is prior or subsequent to this Agreement.

23. Enforceability; Waiver of Breach. If any part of this Agreement is deemed void, unenforceable, or invalid, the remaining portions of the Agreement shall be and remain enforceable, and in full force and effect. No waiver of a breach of any term or condition of this Agreement shall be construed to be a waiver of any succeeding breach.

24. Interpretation; Construction. The captions are for convenience of reference only and shall have no force or effect in the interpretation or construction of this Agreement. Wherever the context requires, the neuter shall include the masculine or feminine gender, and the singular shall include the plural. Each of the terms of this Agreement is a condition to be faithfully and fully performed. The rule of construction that ambiguities are to be resolved against the drafting party will not apply in interpreting this Agreement.

25. Authorized Signatories. The individuals executing this Agreement are authorized signatories and have the full power to enter into this Agreement, and make the representations and warranties set forth here.

26. State License. Alarm Company Operators are licensed and regulated by the Bureau of Security and Investigative Services, Department of Consumer Affairs, Sacramento, California 95814.